

LNP Costs for Leaf River Telephone Company

Scenario 1: Monthly Cost With Transport and Transit

	<u>Start-Up</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Reported Cost	\$ 53,916	\$ 7,599	\$ 7,934	\$ 8,327	\$ 8,720	\$ 9,114

Adjustments:

Legal Fees	\$20,000					
Employee Education	\$8,965					
Customer Education	\$435	\$818	\$809	\$800	\$792	\$783
Total Adjustments	\$29,400	\$818	\$809	\$800	\$792	\$783

Adjusted Cost	\$24,516	\$6,781	\$7,125	\$7,527	\$7,929	\$8,331
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PV Factors	100.0000%	89.8876%	80.7978%	72.6272%	65.2829%	58.6812%
PV Cost	\$24,516	\$ 6,095	\$ 5,757	\$ 5,467	\$ 5,176	\$ 4,889
PV Demand		490	436	388	345	306

Cost/Subscriber/Month

Total
\$95,610

\$ 51,899
1,964

\$ 26.42
\$ 2.20